GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1933
ANSWERED ON:02.12.2011
REVIEW OF IT RATES
Chanabasappa Shri Udasi Shivkumar;Shetkar Shri Suresh Kumar

Will the Minister of FINANCE be pleased to state:

(a) whether the income tax rates in the country are one of the highest amongst developing countries;

(b) if so, the manner in which the income tax rates in India compare with those of the developed and other developing countries;

(c) whether the Government has commissioned any study/survey to review/ revise and simplify the income tax rates in the country; and

(d) if so, the details thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM)

(a) No Sir. The income tax rates in India compare favourably with the income tax rates in other developing countries. Same is evident from the table enclosed as Annexure-A.

(b) Does not arise. It also compares favourably with tax rates in developed countries as indicated in table enclosed as Annexure-A.

(c) No Sir. No such study/survey has been done in recent past. However the effective tax rates have been moderated over the period of past several years through increased basic exemption limit, broadening of slabs and removal/moderation of surcharge etc.

(d) Does not arise.